

**ORIGINAL**

OPEN MEETING AGENDA ITEM



50 Washington Street  
Suite 3000  
Westborough, MA 01581

t 508.836.9500  
f 508.870.5975  
www.csgrp.com



0000141163

RECEIVED

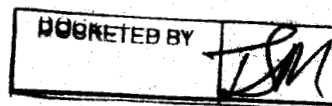
2012 DEC 21 P 3:39

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

DEC 21 2012



11/30/2012

Chairman Gary Pierce  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, AZ 85007-2996

**Re: Tucson Electric Power Company's Application for Approval of its 2011-2012 Energy Efficiency Implementation Plan, E-01933A-11-0055**

Dear Chairman Pierce and Commissioners,

Conservation Services Group (CSG) is grateful for the opportunity to comment on the Updated Modified Plan now before the Arizona Corporation Commission. The leading residential energy efficiency program implementer in North America, CSG is proud of the work we have been able to accomplish in Arizona thus far.

Through strong regulatory and legislative policies, Arizona has jumped from number 17 in the ACEEE state scorecard ranking to number 12—no easy feat and one that should be commended.

By establishing an Energy Efficiency Resource Standard, Arizona has set a robust target of achieving 22% cumulative savings by 2020, as well as created an environment that largely encourages homeowner and business investment in energy efficiency.

Moreover, the Southwest Energy Efficiency Project's (SWEPP) recent report, the *\$20 Billion Bonanza*, found that by adopting a set of best practices, Arizona households and businesses can save \$7.3 billion, meet the aggressive EERS goals, and avoid building 10.5 new power plants.

One of the best practices the report identifies is timely ACC approval of energy efficiency implementation plans submitted by utilities.

CSG is fully aware of the complications and impediments that prevented the plan from being approved earlier. However, in our 28 year history we have never seen an implementation plan take as long as it has taken for TEP's compromise plan to be approved (23 months and counting).

That is why we strongly urge the Commission to approve the 2011-2012 Plan, and not to roll the decision into the 2013 rate case. Doing so would jeopardize the compliance with Arizona's EE standard, as well as continue to create market confusion for contractors that have invested in training staff and purchasing equipment in order to comply with Program requirements, as well as current and future program ratepayer participants.

Again, CSG respects the time and consideration the Commission and its staff have given to TEP's plan. We were especially grateful for the Procedural Order issued by the Commission, which established an evidentiary hearing process. In light of the Judge's Recommended Opinion and Order in favor of the



50 Washington Street  
Suite 3000  
Westborough, MA 01581

t 508.836.9500  
f 508.870.5975  
www.csgrp.com

**Updated Modified Plan, as well as the job loss and customer confusion of wrapping the approval into the 2013 rate case, we hope the Commission will make a decision on the plan and vote on its approval prior to the start of 2013.**

**Sincerely,**

**Susan Buchan  
Program Manager  
Conservation Services Group  
7670 E. Broadway, Suite 308  
Tel: 520.334.4107**